

Amendment No. 1 to HB2118

Matheny
Signature of Sponsor

AMEND Senate Bill No. 2178

House Bill No. 2118*

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated § 47-18-321(a), is amended by deleting the subsection in its entirety and by substituting instead the following:

(a) In order to provide a degree of protection to members of health clubs, any health club that receives fee payments ninety (90) days or more in advance from a buyer, makes direct withdrawals of fee payments from a buyer's bank account, or provides a buyer with the option of financing fees through a third party shall post a bond of twenty-five thousand dollars (\$25,000) with the department of commerce and insurance for each location conducting business in this state. The bond may be made through a deposit of cash, a certificate of deposit, securities, or with a bond issued by a corporate surety acceptable to the commissioner.

SECTION 2. Tennessee Code Annotated § 47-18-321(f), is amended by deleting the subsection in its entirety and by substituting instead the following:

(f) Any health club subject to this section and registered with the department of commerce and insurance on June 5, 2010, shall post a surety bond or file an audited financial statement on or before July 1, 2010.

SECTION 3. This act shall take effect June 30, 2010, the public welfare requiring it.